



THE END OF THE AFFORDABLE  
CONNECTIVITY PROGRAM:  
**IMPLICATIONS FOR RURAL N.C.**

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## Executive Summary

The Affordable Connectivity Program (ACP), established through the Bipartisan Infrastructure Law in December 2021, allocated \$14.2 billion to help eligible households pay for monthly internet subscriptions. By early 2024, funding began to dwindle, halting new enrollments as of February 8 and ceasing benefits entirely by June 1. At its peak, the ACP served 23,269,550 households in the U.S., representing about 19 percent of all U.S. households. In North Carolina, 901,394 households were enrolled, about 22 percent of all households, surpassing the national rate and indicating a significant reliance on the program for internet access. This is especially true in rural counties, where over 350,000 enrolled households, or 24.6 percent of all rural households, were enrolled.

The discontinuation of the ACP is expected to significantly impact rural North Carolinians. A survey from the FCC revealed that 77 percent of ACP recipients would likely face service disruptions, potentially affecting over 276,000 rural households in North Carolina. Efforts to extend the ACP through federal legislative measures have been introduced but have yet to progress, despite bipartisan support. Meanwhile, some internet providers have pledged to offer discounted rates to previously enrolled ACP households through the end of 2024, providing temporary relief for many but underscoring the need for sustained federal support to ensure long-term internet connectivity for low-income families.

## What is the ACP?

The Affordable Connectivity Program (ACP) is a federal program started through the [Bipartisan Infrastructure Law](#) in December 2021 with \$14.2 billion allocated to the program. The program was created to help households meeting certain criteria pay for a monthly internet subscription. Qualifying households include those with an income at or below 200 percent of the federal poverty guidelines, households participating in assistance programs (SNAP, WIC, Medicaid, etc.), and households that receive benefits under the free and reduced-price school lunch or breakfast program. These households are eligible for a monthly \$30 benefit to help pay for high-speed internet service. If a household is on qualifying Tribal Lands, the monthly benefit could increase up to \$75.<sup>1</sup>

## Why did the ACP end?

Funding for the ACP began running out in early 2024. The program stopped accepting new applications and enrollments on February 8. Due to lack of additional funding, April 2024 was the last month qualifying households received the full ACP benefit. As of June 1, funding for the program ran out and is no longer available in any form to households in the U.S.<sup>1</sup>

## How many people used the ACP?

As of the enrollment freeze on February 8, there were 23,269,550 households enrolled in the ACP throughout the country, about 19 percent of all households in the U.S. (or about 1-in-5 households). Participation in the ACP varies widely by state, ranging from 1-in-20 households in North Dakota to 1-in-3 households in Louisiana. In North Carolina, about 1-in-5 households received funding from the ACP.<sup>2</sup> The table below shows how ACP enrollment in North Carolina compares to neighboring states.

**Table 1. State ACP Enrollment Rates**

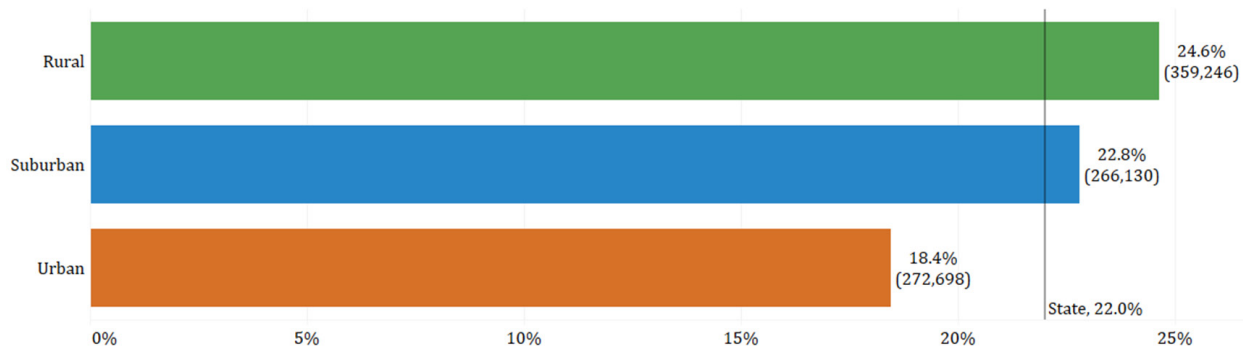
State	Total Households	Households Enrolled in ACP	Percentage of Households Enrolled
Georgia	3,946,490	722,473	18%
North Carolina	4,105,232	901,394	22%
South Carolina	2,023,085	415,680	21%
Tennessee	2,713,635	429,621	16%
Virginia	3,289,776	470,457	14%
United States	125,736,353	23,269,550	19%

Source: 2018-2022 American Community Survey 5-Year Estimates; FCC

North Carolina outpaces neighboring states both in number and percentage of households enrolled in the ACP. This shows that many households in North Carolina relied on the ACP to help support their connection to internet services, more than typical in the rest of the U.S. Why is enrollment higher than typical in North Carolina? While an answer is not clear, the simplest answer may be our state has a high percentage of eligible households and word-of-mouth has helped spread information to eligible households. According to recent research, ACP enrollment is higher than expected in areas that are low-income and/or rural, and word-of-mouth likely has played a role in high enrollment.<sup>3</sup> While ACP enrollment is high in North Carolina, county level data shows it differs throughout the state.

In the aggregate, rural households in North Carolina were more likely than suburban and urban households to be enrolled in the ACP. According to the data, 24.6 percent of rural households were enrolled in the ACP, higher than both the suburban and urban enrollment rates. Aggregate enrollment rates and the number of households enrolled in the ACP are displayed in Figure 1.

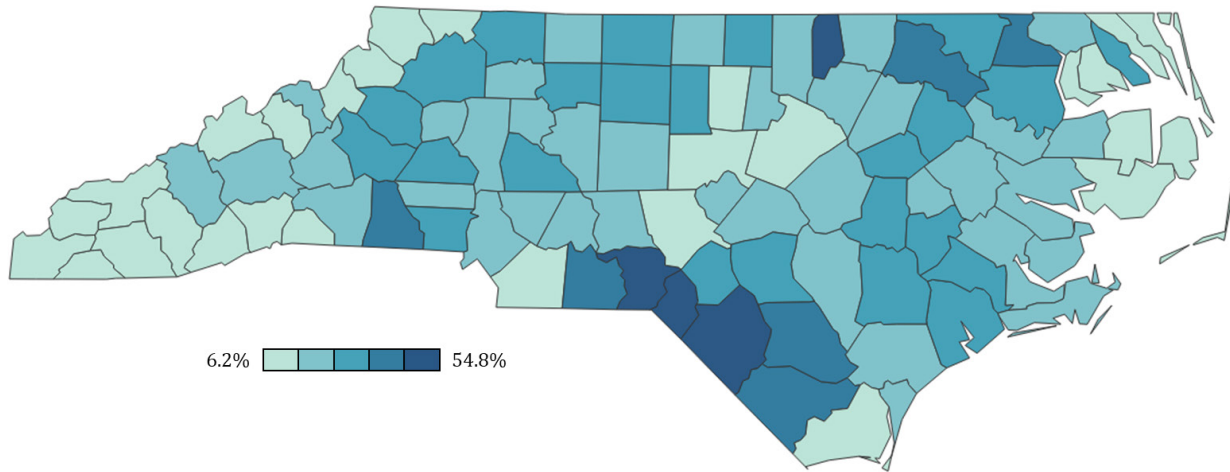
**Figure 1. ACP Enrollment by Rural Classification**



Source: Universal Service Administrative Company; 2018-2022 American Community Survey 5-Year Estimates

While enrollment tends to be higher in rural counties, rates vary greatly by county. Figure 2 displays the ACP enrollment rates for each county in North Carolina.

**Figure 2. ACP Enrollment Rates by County**



*Source: Universal Service Administrative Company; 2018-2022 American Community Survey 5-Year Estimates*

The map shows that some of the highest rates are found in the southern/southeastern region of the state, a predominantly rural region. However, not all rural regions have high rates of ACP enrollment. The western region of the state, also predominantly rural, has relatively low ACP enrollment rates. In Table 2, the counties with the highest and lowest enrollment rates are shown. All of these counties are rural except Henderson, showing that rural counties vary greatly in terms of enrollment.

Table 2. Highest and Lowest County ACP Enrollment Rates

Highest ACP Enrollments Rates			Lowest ACP Enrollment Rates		
County	ACP Households	Rate of ACP Enrollment	County	ACP Households	Rate of ACP Enrollment
Scotland	6,701	54.8%	Dare	1,405	8.7%
Robeson	22,554	53.1%	Clay	418	8.5%
Richmond	8,504	51.2%	Alleghany	403	8.2%
Vance	7,973	49.5%	Macon	1,354	7.8%
Anson	3,611	43.7%	Transylvania	1,016	7.1%
Halifax	8,218	40.8%	Jackson	1,232	6.9%
Hertford	3,375	40.4%	Henderson	3,344	6.8%
Columbus	7,529	39.2%	Currituck	737	6.6%
Cleveland	13,666	37.4%	Camden	246	6.4%
Bladen	4,231	37.2%	Ashe	732	6.2%

Source: Universal Service Administrative Company; 2018-2022 American Community Survey 5-Year Estimates

## What is the impact?

The impact of the ACP ending could be significant for rural North Carolinians. The latest ACP enrollment data indicates that North Carolina has an ACP enrollment rate higher than typical in the U.S., and our rural counties tend to be enrolled at higher rates than urban and suburban counties. Many rural households in our state likely rely on the ACP for their connection, and many might experience a disruption in their broadband connection now that the ACP has ended.

A recent survey from the FCC, completed before the end of the ACP, sheds light on just how great disruptions may be. Seventy-seven percent of respondents said losing the ACP would disrupt their service by making them change their plan or even drop internet service altogether. The survey also shows that 68 percent of respondents had inconsistent connectivity, or no connectivity at all, before ACP. A strong majority of these people cited affordability as the reason.<sup>4</sup> If 77 percent of rural North Carolina households enrolled in the ACP experience service disruptions, that would amount to over 276,000 households.

## What is next?

Despite the popularity of the program, there is no implemented plan to extend the program. The Affordable Connectivity Program Extension Act ([Senate Bill 3565](#)) was introduced, and would allocate \$7 billion to extend the ACP. This bill was introduced on January 10, 2024, with bipartisan support and was referred to the Committee on Appropriations, but no further action has been taken thus far. A similar bill was introduced in the house on January 10, 2024, ([House Bill 6929](#)) and would also allocate \$7 billion to extend the ACP, but no further action has been taken on this bill either.

More recently, a bipartisan coalition of U.S. Senators introduced an amendment ([Senate Amendment 2024](#)) to the Federal Aviation Administration reauthorization bill ([House Bill 3935](#)) on May 8, 2024. Among other appropriations, this amendment would allocate \$6 billion to the ACP and “modernize eligibility and verification to eliminate waste, fraud, and abuse.” No further action has been taken on this amendment.

In the meantime, 17 internet providers have committed to offering plans at discounted rates for previously enrolled ACP households until the end of 2024. These include large providers like AT&T, Comcast, Spectrum, and Verizon.<sup>5</sup> While this is positive, new households can no longer apply to receive this benefit. Also, after 2024 providers may decide to no longer foot the bill. While this serves as a good stop-gap solution, the importance of continuing federal funding to ensure long-term internet connection support to low-income households is clear, especially as broadband becomes more necessary for modern life.

## Sources

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## Data

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